

MO210008
cc: Lynn
TaskID#2589



Attn: Paul Baker
Minerals Program Manager
Department of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Hi Paul,


As per a phone discussion between myself and Lynn Kunzler, CML Metals would like to provide an additional surety of \$1.3 million to cover reclamation costs related to the construction of the concentrate plant while the surety calculations are under review. CML Metals acknowledges that the total surety amount for the newly bonded acreage and concentrate plant may change once the review has been finalized.

CML Metals Corporation guarantees that all performance standards will be met and maintained while construction ensues. All topsoil will continue being stockpiled at the designated Topsoil Stockpile located on top of the South Waste Dump. Any approved material sent to CML Metal's Class IIIB landfill will be buried with a minimum of 18 inches of waste rock within a week of placement.

Disturbance related to construction includes grading and backfilling, using crushed waste material taken from the Comstock/Mountain Lion Pit. Concrete foundation for the concentrate plant will also be included in the construction process. Total amount of concrete poured will be **3,581 C.Y.** with an average thickness of five feet.

If you have any questions about this request, please do not hesitate to ask.

Thank you for your help,


Alys D. Pedersen
Mine Geologist

3/16/2011

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